

REMARKS

The claims remaining in the application are 1-61.

Rejection Under 35 U.S.C. § 102

The Examiner has rejected claims 1-10, 12, 13, 15-18, 20-36, 38-41, 43, 44, 47-49, 51, 52, and 57-59 under 35 U.S.C. 102(e) as being anticipated by Warren, U.S. Patent No. 5,963,909. This rejection is respectfully traversed.

The present invention provides a flexible arrangement for “selecting a block size to be encrypted.” See page 8 of the specifications. Selecting variable block sizes requires not only transmission of a key to decode the encrypted signal, but also synchronization of the encryption key with the data transmission signal.

The Warren reference, by contrast encodes the data stream in a periodic manner. See Column 13, line 33. Thus, the Warren reference, since the block sizes are the same, does not need “a block synchronization” as in the claims of the present invention.

The overall purpose of the Warren reference is to provide copy control. The fact that two separate data tags are used SMT and SCT, does not indicate that the encryption key is being synchronized with different blocks with different encryption keys. This can be seen more clearly in Figures 7 and 13 where all the SCT is offset from the SMT there is no indication that the blocks are different sized or that the encryption key is being synchronized with a particular block of data. To restate, although a tag is associated with a frame for decryption the control tag is not synchronizing the master tag with a particular frame. The SCT tag merely gives permission to copy with the SMT tag assigned to a frame.

Rejection Under 35 U.S.C. § 103

The Examiner has rejected claims 11 and 14 under 35 U.S.C. 103(a) as being unpatentable over Warren, U.S. Patent No. 5,963,909 in view of Handelman, U.S. Patent No. 5,774,546. This rejection is respectfully traversed.

The Examiner has rejected claim 19 under 35 U.S.C. 103(a) as being unpatentable over Warren, U.S. Patent No. 5,963,909 in view of Schneider. This rejection is respectfully traversed.

The Examiner has rejected claims 42, 45, 46, 50, and 53-56 under 35 U.S.C. 103(a) as being unpatentable over Warren, U.S. Patent No. 5,963,909 in view of Chaum, U.S. Patent No. 5,959,717. This rejection is respectfully traversed.

The Examiner has rejected claims 60 and 61 under 35 U.S.C. 103(a) as being unpatentable over Warren, U.S. Patent No. 5,963,909 in view of Shukla, U.S. Patent No. 6,345,101. This rejection is respectfully traversed.

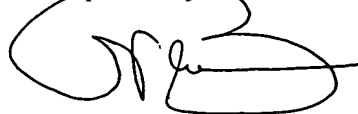
CONCLUSION

Dependent claims not specifically addressed add additional limitations to the independent claims, which have been distinguished from the prior art and are therefore also patentable.

In conclusion, none of the prior art cited by the Examiner discloses the limitations of the claims of the present invention, either individually or in combination. Therefore, it is believed that the claims are allowable.

If the Examiner is of the opinion that additional modifications to the claims are necessary to place the application in condition for allowance, he is invited to contact Applicant's attorney at the number listed below for a telephone interview and Examiner's amendment.

Respectfully submitted,



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